

AMENDED IN SENATE JUNE 26, 2009

AMENDED IN SENATE JUNE 18, 2009

AMENDED IN ASSEMBLY APRIL 29, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

## **ASSEMBLY BILL**

**No. 231**

---

**Introduced by Assembly Member Huffman**  
(Principal coauthor: Senator Pavley)

February 5, 2009

---

An act to amend Section 38597 of, and to add Sections 38597.2 and 38597.5 to, the Health and Safety Code, relating to air pollution.

### LEGISLATIVE COUNSEL'S DIGEST

AB 231, as amended, Huffman. California Global Warming Solutions Act of 2006: Climate Protection Trust Fund.

The California Global Warming Solutions Act of 2006 requires the State Air Resources Board to adopt regulations to require the reporting and verification of emissions of greenhouse gases and to monitor and enforce compliance with the reporting and verification program, and requires the state board to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020. The act requires the state board to adopt rules and regulations in an open public process to achieve the maximum technologically feasible and cost-effective greenhouse gas emission reductions. The act authorizes the state board to include the use of market-based compliance mechanisms. The act authorizes the state board to adopt a schedule of fees to be paid by the sources of greenhouse gas emissions regulated pursuant to the act, and requires the revenues collected pursuant to that fee to be deposited into the Air Pollution

Control Fund and be available, upon appropriation by the Legislature, for purposes of carrying out the act.

This bill would instead require the state board to, no later than March 30, 2010, adopt that schedule of fees. The revenues collected would be deposited in the Climate Protection Trust Fund, which the bill would create. All other compliance revenues collected pursuant to the act, including fines and penalties, would be required to be deposited into the fund, and would be available, upon appropriation by the Legislature, for the purposes of carrying out the act. *The bill would require federal climate change funds to also be deposited into the fund, as provided.*

Because failure to pay the fee would be a crime, this bill would impose a state-mandated local program by creating a new crime.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 38597 of the Health and Safety Code is  
2 amended to read:

3 38597. The state board shall adopt by regulation no later than  
4 March 30, 2010, after a public workshop, a schedule of fees to be  
5 paid by the sources of greenhouse gas emissions regulated pursuant  
6 to this division, consistent with Section 57001. The revenues  
7 collected pursuant to this section shall be deposited into the Climate  
8 Protection Trust Fund.

9 SEC. 2. Section 38597.2 is added to the Health and Safety  
10 Code, to read:

11 38597.2. Except as otherwise provided in this part, the fees  
12 established by the state board pursuant to Section 38597 shall be  
13 designed to

14 be paid by the sources of greenhouse gas emissions regulated  
15 pursuant to this division, consistent with Section 57001.

16 SEC. 3. Section 38597.5 is added to the Health and Safety  
17 Code, to read:

1 38597.5. (a) The Climate Protection Trust Fund is hereby  
2 established in the State Treasury. All compliance revenues  
3 collected pursuant to this division, including, but not limited to,  
4 all fees collected pursuant to Section 38597 and all fines and  
5 penalties collected pursuant to Section 38580 shall be deposited  
6 into the Climate Protection Trust Fund, and are available, upon  
7 appropriation by the Legislature, for the purposes of carrying out  
8 this division. *All fees collected pursuant to Section 38597 before*  
9 *January 1, 2010, shall be transferred from the Air Pollution*  
10 *Control Fund into the Climate Protection Trust Fund.*

11 (b) *The Climate Protection Trust Fund shall receive, on behalf*  
12 *of state and local agencies, funds from federal climate change*  
13 *programs that are dedicated to or otherwise accrue to the state*  
14 *for climate change projects and programs, including, but not*  
15 *limited to, energy efficiency, technology development and*  
16 *deployment, natural resource planning and adaptation, and green*  
17 *job development and training, to be expended, upon appropriation*  
18 *by the Legislature, under terms and conditions as may be*  
19 *established by federal law.*

20 SEC. 4. No reimbursement is required by this act pursuant to  
21 Section 6 of Article XIII B of the California Constitution because  
22 the only costs that may be incurred by a local agency or school  
23 district will be incurred because this act creates a new crime or  
24 infraction, eliminates a crime or infraction, or changes the penalty  
25 for a crime or infraction, within the meaning of Section 17556 of  
26 the Government Code, or changes the definition of a crime within  
27 the meaning of Section 6 of Article XIII B of the California  
28 Constitution.